In a world in which 6 million people die each year from AIDS, TB or malaria, corporate action to increase access to treatment is crucial. ICCR is working with pharmaceutical companies to catalyze the development of a new business model that will facilitate delivery of medicines around the globe.

There is increasing pressure on pharmaceutical companies to increase availability of life-saving medicines by making the licenses to their formulations available to generic pharmaceutical manufacturers. Yet, branded pharmaceutical companies’ stances on patents and licenses often put them at odds with the governments of developing countries attempting to ensure access to medicines for their citizens. With four decades of successful corporate engagements, ICCR is uniquely positioned to help pharma companies negotiate these challenges. Says Sr. Barbara Aires of the Sisters of Charity of St. Elizabeth, “We believe the holders of patents for life-saving medicines have a responsibility to make sure their medicines are accessible to all those in need. We have been encouraging them to develop and participate in new models that strike a balance between profits and public health needs.”

As faith-based investors with ministries in many developing nations, ICCR members witness the undue disease burden borne by the world’s poorest and most vulnerable populations. That experience leads members to push for innovative approaches to public health crises in both domestic and emerging markets.

In 2010 the groundbreaking UNITAID Medicines Patent Pool Foundation was launched to increase access to the newer antiretroviral medicines needed to treat HIV and AIDS, and to encourage the development of pediatric formulations. In February 2011, ICCR hosted an invitation-only roundtable urging companies to join the Patent Pool and discuss new ways to promote access to medicines in the developing world. This “Roundtable on New Mechanisms” brought together institutional investors, pharmaceutical com-

“Merck understands that it must rise to the challenge of greater stakeholder expectations every day. We also recognize that we can’t solve major health, environmental and economic challenges alone but must collaborate with others who share our commitment and who bring their own unique expertise to the table. This understanding forms the core of Merck’s approach and commitment to its decade-long engagement with ICCR. Their input on our policies and practices over the years has helped to inform our strategies and decisions on a variety of issues, from our access to medicines strategy in developing countries and our HIV/AIDS access programs, to our role in the U.S. health care reform debate and our move to greater disclosure of our non-financial performance.”

Maggie Kohn, Director, Corporate Responsibility, Merck & Co., Inc.
panies and non-governmental health organizations from the US and Europe.

“We have a unique power to convene different stakeholders,” says Cathy Rowan of Trinity Health. “Both as long-term investors in these companies and allies with the NGOs engaged in the struggle to improve access, we have a legitimate and respected voice in the conversation.” The event was held in conjunction with Oxfam America, Knowledge Ecology International, and the Access to Essential Medicines Campaign of MSF/Doctors Without Borders.

The Roundtable focused on finding sustainable business models that allow pharma to compete yet increase the availability of low cost alternatives in the countries hardest hit by life threatening pandemics. Discussion ensued regarding the best ways to develop drugs, price them, and manage corporate intellectual property - the three elements at the core of the pharmaceutical industry business model. According to a pharma representative in the room “There are very few forums where industry can sit down with civil society organizations and discuss this very important issue in a transparent, fair and objective way—the roundtable achieved that, much to ICCR’s credit.”

Effective strategies discussed included partnering with generic manufacturers to fulfill medicine needs, or partnering with civil society and government to accelerate neglected disease research, and exploring Base-of-The-Pyramid sales strategies.

In July of 2011, ICCR saw its first major breakthrough when Gilead Sciences became the first company to join the Pool, sharing licenses for its vital HIV and Hepatitis B drugs. Said Judy Byron, OP, of the Northwest Coalition for Responsible Investment, “We commend Gilead Sciences for its continuing leadership in global health. This decision puts access to medicines at the heart of their business model.” The agreement allows for the production of the HIV medicines tenofovir, emtricitabine, cobicistat and elvitegravir and a “cocktail” of the four known as the “Quad”: the latter three medications are in clinical development and the licensing of these drugs will “significantly accelerate availability” according to Ellen T’Hoen, Executive Director of the Medicines Patent Pool.

Yet, challenges remain. Says Lauren Compere of Boston Common Asset Management, “In the years ahead, pharmaceutical companies must find a balance between the desire to protect both profits and their valuable intellectual property and the moral mandate to support potentially viable delivery systems. Companies must rise to the challenge.”